



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R05-OAR-2018-0734; FRL-9995-68-Region 5]

Air Plan Approval; Indiana; Indiana RACT SIP and Negative

Declaration for the Oil and Natural Gas Industry Control

Techniques Guidelines

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a "Negative Declaration" for the State of Indiana regarding the Control Techniques Guidelines (CTG) for the Oil and Gas Industry issued by EPA on October 20, 2016. Indiana has evaluated areas for which the Oil and Natural Gas Industry CTG must be applied under the 2008 ozone National Ambient Air Quality Standard (NAAQS). EPA has included Lake and Porter counties as part of the Chicago-Naperville, IL-IN-WI Moderate nonattainment area for the 2008 ozone NAAQS. Therefore, reasonably available control technology (RACT) requirements would be applicable for sources covered by the CTGs in Lake and Porter counties. No covered sources were found in Lake and Porter counties. Approval of this Negative Declaration supports EPA's February 13, 2019 approval of Indiana's volatile organic compounds (VOC) RACT Certification for Lake and Porter Counties.

DATES: Comments must be received on or before **[insert date 30 days after date of publication in the Federal Register]**.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R05-OAR-2018-0734, at <https://www.regulations.gov>, or via email to Aburano.Douglas@epa.gov. For comments submitted at Regulations.gov, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. For either manner of submission, EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (i.e. on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the "For Further Information Contact" section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit <https://www2.epa.gov/dockets/commenting-epa-dockets>.

FOR FURTHER INFORMATION CONTACT: Steven Rosenthal,
Environmental Engineer, Attainment Planning and Maintenance
Section, Air Programs Branch (AR-18J), U.S. Environmental
Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago,
Illinois 60604, (312) 886-6052, rosenthal.steven@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document, whenever
“we,” “us,” or “our” is used, we mean EPA. This supplementary
information section is arranged as follows:

- I. What Is the Background for This Action?
- II. What Is EPA’s Evaluation of Indiana’s Submittal?
- III. What Action Is EPA Proposing?
- IV. Statutory and Executive Order Reviews

I. What Is the Background for This Action?

On June 11, 2012,¹ EPA designated the Chicago area as a
marginal nonattainment area for the 2008 ozone NAAQS. The
Chicago area includes Cook, DuPage, Kane, Lake, McHenry, and
Will Counties and parts of Grundy and Kendall Counties in
Illinois; Lake and Porter Counties in Indiana; and part of
Kenosha County in Wisconsin. On May 4, 2016,² pursuant to
section 181(b)(2) of the Clean Air Act (CAA), EPA determined
that the Chicago area failed to attain the 2008 ozone NAAQS by
the July 20, 2015, marginal area attainment deadline and thus

¹77 FR 34221, effective July 20, 2012.

²81 FR 26697.

reclassified the area from marginal to moderate nonattainment. In that action, EPA established January 1, 2017, as the due date for the state to submit all moderate area nonattainment plan state implementation plan (SIP) requirements applicable to newly reclassified areas.

Indiana submitted a SIP revision request on February 28, 2017, and submitted supplemental information on January 9, 2018, to address the moderate area requirements for the Indiana portion of the Chicago area for the 2008 ozone NAAQS. The submission contained a number of nonattainment plan elements, including a certification that the existing VOC rules contained in 326 Indiana Administrative Code (IAC) 8 satisfy the VOC RACT requirements of Section 182(b)(2) of the CAA and have been approved into the SIP by EPA. The submission addressed the SIP elements that were due on January 1, 2017. Indiana also certified that the Negative Declaration approved into the SIP by EPA for the fiberglass boat manufacturing materials CTG is still current. EPA approved Indiana's moderate SIP element submission on February 13, 2019 (84 FR 3711).

On October 20, 2016, EPA issued a CTG for the Oil and Natural Gas Industry (Oil and Gas CTG). Under sections 182 and 184 of the CAA, states must implement RACT to limit VOC emissions from sources covered by the Oil and Gas CTG in ozone

nonattainment areas classified as "moderate" or above for the 2008 ozone NAAQS.

The Oil and Gas CTG includes RACT recommendations for storage tanks, centrifugal and reciprocating compressors, pneumatic controllers and pumps, and equipment leaks from natural gas processing plants, as well as VOC leaks at gathering and boosting stations and oil and gas well sites. Requirements are also established for storage tanks, pneumatic controllers and pneumatic pumps at low-producing well sites.

States that are subject to RACT requirements must revise their SIPs to include their determinations for sources covered by the Oil and Gas CTG. If a state confirms there are no covered sources within its jurisdiction, it can submit a Negative Declaration. The Indiana Department of Environmental Management (IDEM) has determined that no emission sources covered by the Oil and Gas CTG exist within the portions of Lake and Porter Counties, which are part of the Chicago-Naperville, IL-IN-WI Moderate Nonattainment area for the 2008 ozone NAAQS. As a result, IDEM submitted a Negative Declaration on October 25, 2018.

II. What is EPA's Evaluation of Indiana's Submittal?

IDEM searched its oil and gas well records and air permit records and evaluated potentially affected emissions sources to

determine whether there were any sources covered by the Oil and Natural Gas Industry CTG.

The Indiana Department of Natural Resources' (IDNR) Division of Oil and Gas administers Indiana's oil and gas statutes and regulates petroleum exploration and production operations including: well spacing, exploration, permitting, drilling, completion, production, and abandonment operations; underground injection of fluids for enhanced oil recovery or for production fluid disposal; and the underground storage of natural gas or other petroleum products in underground formations. IDEM conducted a search of permitted oil and natural gas wells in Lake and Porter counties using IDNR's online permit database. This search showed that no active oil or gas production wells exist in Lake or Porter counties.

EPA's CTG lists six source categories along with the applicability criteria and RACT recommendation for each emission source category. As an example, storage vessels are one of these potentially subject emission sources. The applicability criteria are any individual storage vessel with a potential to emit greater than or equal to six tons per year (tpy) of VOC. The RACT recommendation is 95 percent reduction or maintain less than 4 tpy uncontrolled actual VOC emissions. The other source categories are pneumatic controllers, pneumatic pumps,

centrifugal and reciprocating compressors, equipment leaks and fugitive emissions.

IDEM conducted a search of Indiana's air permit database to identify potentially affected emissions sources, based upon applicable SIC codes, in Lake and Porter counties. No covered emissions sources were identified in Porter County. Three facilities in Lake County were identified and selected for further evaluation based on their SIC codes and descriptions. These facilities are:

- Northern Indiana Public Service Company LLC-North Hayden Substation, which is described as a stationary natural gas transmission and distribution facility,
- Northern Indiana Public Service Company LLC-Vector Crown Point Substation, which is described as a natural gas fired pipeline heater, and
- ANR Pipeline Company - St. John Station, which is described as a stationary natural gas compressor station.

IDEM reviewed the 6 emission source categories, described above, for each of these three facilities and found that either there were no potentially subject sources or that the source was below the applicability cutoff. As an example, neither Northern Indiana Public Service Company LLC has storage tanks and ANR Pipeline Company - St. John Station has one condensate storage

tank with a PTE of 0.35 tpy VOC, which is below the RACT cutoff of six tpy VOC.

During its public comment period, IDEM received a comment from the Hoosier Environmental Council, who inquired about the absence of bulk storage tank facilities in northern Lake County in the applicability analysis. The commenter provided Enbridge and Citgo as examples.

In response to the comment IDEM identified and evaluated bulk petroleum storage facilities in the affected area. IDEM performed a search for bulk petroleum storage facilities associated with the extraction and production of crude oil. None of the bulk petroleum storage facilities in Lake and Porter counties are located at extraction sites or associated with crude oil production. Therefore, the bulk petroleum storage facilities in Lake and Porter Counties do not meet the applicability criteria in the CTG.

EPA has reviewed Indiana's Negative Declaration regarding the Oil and Gas CTG issued on October 20, 2016. As discussed in detail above, Indiana found no sources covered by the CTG in Lake or Porter Counties. Therefore, EPA is proposing to approve the state's submission as meeting the VOC RACT requirement for the Indiana portion of the Chicago area for the 2008 ozone NAAQS. Approval of this Negative Declaration supports EPA's

February 13, 2019 approval of Indiana's VOC RACT Certification for Lake and Porter Counties.

III. What Action Is EPA Proposing?

EPA is proposing to approve Indiana's Negative Declaration for the Oil and Gas CTG. Approval of this negative declaration will support the February 13, 2019 approval of Indiana's VOC RACT Certification for Lake and Porter counties.

IV. Statutory and Executive Order Reviews

Under the CAA the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because SIP approvals are exempted under Executive Order 12866;

- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally

permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: June 13, 2019.

Cathy Stepp,
Regional Administrator, Region 5.